Government of
Saskatchewan

2005-2006
Annual Report

Saskatchewan
Justice

Farm Land Security Board

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This annual report is also available in electronic form from the department's web site at **www.saskjustice.gov.sk.ca**

Letters of Transmittal

Her Honour the Honourable Dr. Lynda M. Haverstock
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I have the honour to submit the Annual Report of the Farm Land Security Board for the year ending March 31, 2006.

Frank Quennell, Q.C.
Minister of Justice and Attorney General

The Honourable Frank Quennell, Q.C.
Minister of Justice and Attorney General

Dear Sir:

I have the honour to submit for your consideration the Annual Report of the Farm Land Security Board for the year ending March 31, 2006.

The elevated levels of Notices of Intent to Foreclose under Part II of *The Saskatchewan Farm Security Act* the Board received in 2005 subsided somewhat in 2006, although Saskatchewan's farm economy continued to experience deep financial stress. Depressed prices and escalating operating costs affecting the grains sector, and the continuation of BSE-related trade restrictions in the beef sector, resulted in the grim prediction that net income from farm sources, including government payments, will likely remain a negative number province-wide for the foreseeable future. Statistics Canada information reveals it was off-farm income that provided almost all the positive net income that farmers earned last year.

Farm Ownership activity under Part VI included the Board's ongoing consideration of applications to acquire land by non-Canadians. Continued public, private and governmental debate about conservation and hunting organizations' ownership of agricultural land for environmental purposes propelled government officials to conduct targeted public consultation and undertake inter-departmental policy development. The Board was advised of policy directives established by Cabinet and acquisition exemptions for conservation organizations upon certain conditions which will be facilitated by regulatory amendments, to become effective during the next fiscal year.

We hope this comprehensive summary of Farm Land Security Board's undertakings in the 2005-06 fiscal year assists in informing the Saskatchewan public of the work done on its behalf and provides useful insight into the processes employed by the Board to fulfil its mandate under the Act.

Leslie Belloc-Pinder
Chair

Program Rationale, Governing Legislation and Organizational Structure

Mission Statement

It is the mission of the Farm Land Security Board to effectively deliver Saskatchewan Justice Farm Security Programs in a manner responsive to the needs of the broad rural community. These programs have been instituted to support family farms during periods of financial difficulty and to stabilize the economic and social environment in rural Saskatchewan.

Governing Legislation

Saskatchewan Justice Farm Security Programs are governed by *The Saskatchewan Farm Security Act* and its regulations. The Farm Land Security Board is established by the Act.

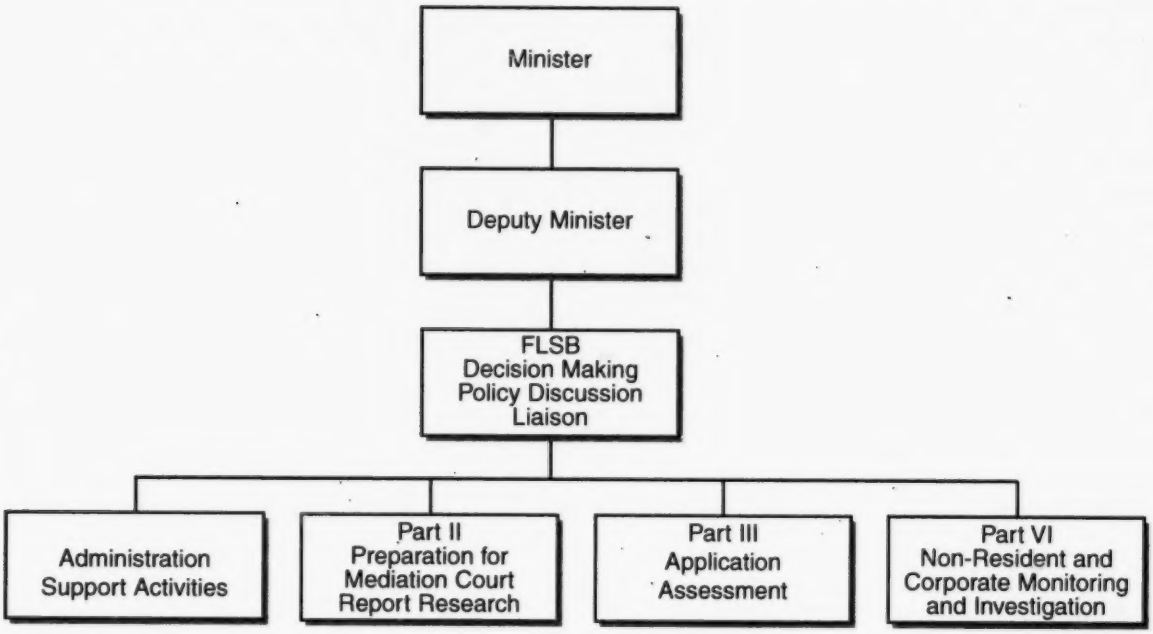
The Farm Land Security Board is mandated under Part II of the Act to oversee the process which occurs prior to a foreclosure action proceeding on farm land. The process is supportive.

The farm family in financial difficulty is provided the benefits of independent financial analysis and mediation. Ultimately, the Board's advice to the court may influence the course of an application to commence foreclosure proceedings.

Part III, Home Quarter Protection, of the Act allows the Board to exclude a mortgage from Home Quarter Protection when it is "in the best interests" of the farmer. The Board, in doing so, does not take a narrow view of these interests but consults with the borrower on all aspects of the farm business.

Objectives of Part VI, Farm Ownership, are to deliver the mandate of preserving Saskatchewan farm land for ownership and operation by Canadian residents and entities while remaining open and sensitive to the broader needs and opportunities of our province. This is accomplished by its daily contact with agricultural producers, agricultural and non-agricultural corporations and non-residents.

Organizational Structure



Members of the Farm Land Security Board in the 2005-06 year:

Leslie Belloc-Pinder
Ferne Nielsen
Vic Bruce – resigned November 2005
Larry Kopan
Allan Patkau

The Board employs managerial and support staff in Regina, as well as contractual field consultants located around the province.

Program Objectives, Activities and Impacts

Part II – Farm Foreclosures

Mandate

Part II of *The Saskatchewan Farm Security Act* has the stated purpose "to afford protection to farmers against loss of their farm land." Before proceeding to court, the Act requires all lenders or writ holders to first provide notice to the farmer and to the Farm Land Security Board respecting their intention to foreclose. The Act provides a financial review and mediation mechanism to assist the parties' efforts to find a settlement. If mediation is not successful, the Act requires the Board prepare a report for the court which provides an opinion on questions stated in the Act, and any other matter the Board feels is relevant. The statutory period allowed for the above is 150 days.

The program helps farmers facing foreclosure by clarifying their financial situation and assisting them in understanding their legal rights and obligations. These activities help establish achievable expectations and objectives for farmers as they enter the mediation process.

The program was also designed to assist the court in its determination of whether allowing foreclosure to proceed would be "just and equitable." The Board's report to the court provides insight into the personal and financial circumstances of the farm family. As well, because some aspects of Home Quarter Protection legislation are linked to the Board's opinion in the report, important legal support for farm families hinges on the report's conclusions. The Act directs the court to give the report primary consideration.

Resources

$404,000 is attached to the delivery of Parts II and III under the Act, exclusive of general administration overhead and Board meetings. Two full-time equivalent employees and 28 contract field consultants work in these programs.

Objectives

The primary objective of the program is to assist farmers and creditors facing a possible foreclosure to understand and resolve the underlying financial problems, thereby keeping farmers on the land and in rural communities. An additional resulting benefit is to provide a fair and effective means of resolving farm financial difficulties without involving the court system.

Activities

Field Analysis and Mediation Preparation

Following receipt of a Notice of Intention to Foreclose, the Board assigns the matter to a field consultant. It is the field consultant's responsibility to meet with the farm family to adequately prepare them for the mediation opportunity. The field consultant also contacts the creditor to discuss its legal rights and obligations and to prepare the creditor for mediation. This preparation includes a review and analysis of the farm family's financial situation. Discussions about their personal and financial situation, and their legal rights and obligations occur. Through these discussions, the field consultant helps the family establish goals for the mediation process and beyond. A financial report is produced and provided to the farmer, the mediator and the creditor. The consultant will accompany the farmer to the mediation meeting, acting as a resource and a support for the family.

When the review and mediation activities do not find a suitable solution, the creditor may ask for the Board's report to the court. Upon receiving such a request, the Board appoints a consultant to research the request. This will include updating the farm's financial picture and gathering other information relevant to the report that will be prepared.

The Board will issue a report to the court and interview the lender and the farmer when necessary. The report provides primary advice to the court in its determination of whether leave to advance into a foreclosure action should be granted.

Impacts

Intervention by the Board through its provision of a field consultant and a process of mediation has avoided initiation of foreclosure actions in the majority of Notices of Intention to Foreclose being issued. Although repayment arrangements are not always achieved, leaseback and exit arrangements benefit some farm families.

Further detail on the success of mediation can be obtained from the Dispute Resolution Services section of the Saskatchewan Justice Annual Report.

Notices of Intent to Foreclose Received by the Farm Land Security Board

Fiscal Year	Notices*
1995-96	481
1996-97	386
1997-98	342
1998-99	313
1999-00	403
2000-01	405
2001-02	329
2002-03	300
2003-04	297
2004-05	428
2005-06	350

* Notices of Intent to Foreclose are submitted on a mortgage basis and may involve more than one mortgage.

Notices of Intent to Foreclose Served on the Farm Land Security Board by Creditors

Fiscal Year	FCC	ACS	Credit Unions	Other	Chartered Banks	Total
1995-96	112	196	89	34	50	481
1996-97	91	155	75	32	33	386
1997-98	107	83	78	24	50	342
1998-99	108	43	91	27	44	313
1999-00	174	27	103	41	58	403
2000-01	179	18	94	25	89	405
2001-02	76	31	99	27	96	329
2002-03	120	8	69	22	81	300
2003-04	105	16	89	43	44	297
2004-05	166	23	102	27	110	428
2005-06	139	15	89	29	78	350

Observations

Following the large increase in Notices of Intent to Foreclose experienced in the previous fiscal year, Notice receipts in the 2005-06 fiscal year decreased. The level established still exceeds the average of the previous three years and should therefore not be seen as reflecting any improvement in the farm economy.

The decrease occurred among all lenders except those described as "Others" which includes investor lenders. These lenders are filling a role as "last resort lenders" to farmers without access to conventional credit. The loans typically include substantial lending fees, brokerage fees and high interest rates. There is an elevated failure rate in these loans.

Court Reports

The Board's report to the court provides comprehensive information to the court, the farmer and the lender when the lender decides to proceed with a court application to commence foreclosure proceedings.

Part II – Court Reports Initiated [a]

Fiscal Year	Providing Opinion	Providing No Opinion [b]	Uncontested Foreclosure [c]	Total [d]
1996-97	55	40	9	104
1997-98	62	32	8	102
1998-99	66	57	1	124
1999-00	58	29	5	92
2000-01	101	42	4	147
2001-02	84	30	7	121
2002-03	74	33	8	115
2003-04	60	34	2	96
2004-05	80	41	2	123
2005-06	86	52	1	139

[a] not all court reports initiated by lenders are issued to the court
[b] court report issued when Board's assistance is declined by farmer
[c] reflects mediated arrangements which require a court report for legal purposes
[d] the number of court reports issued next year can be expected to increase

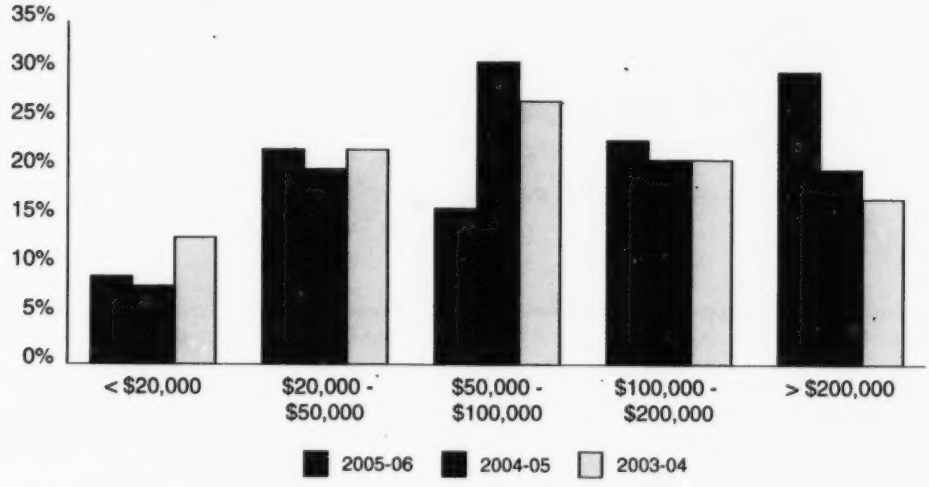
Whereas Notice receipts declined in 2005-06, the issuance of court reports increased. This may have arisen primarily from the high number of Notices received in the previous year. However, a problem is emerging in the availability of alternative financing that is affecting the successful resolution of notice files.

Although the Board cannot always support a farmer's possibility of meeting his payments, it is usually evident that sincere and reasonable efforts have been made with the resources available.

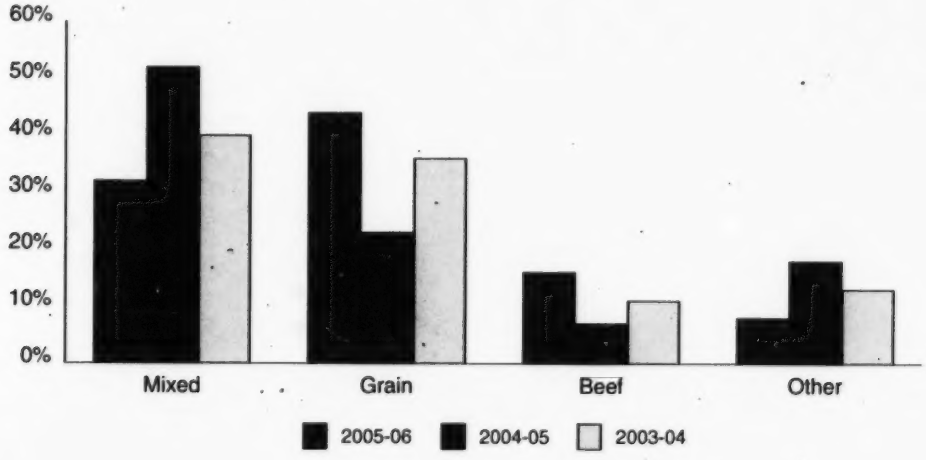
Statistical Profile of Farms Receiving Notice of Intent to Foreclose

Since program inception, the Farm Land Security Board has kept a statistical profile of the farmers receiving Notices of Intent to Foreclose and attending mediation. This information from the 2005-06 fiscal year and the preceding two years is presented in the following graphs:

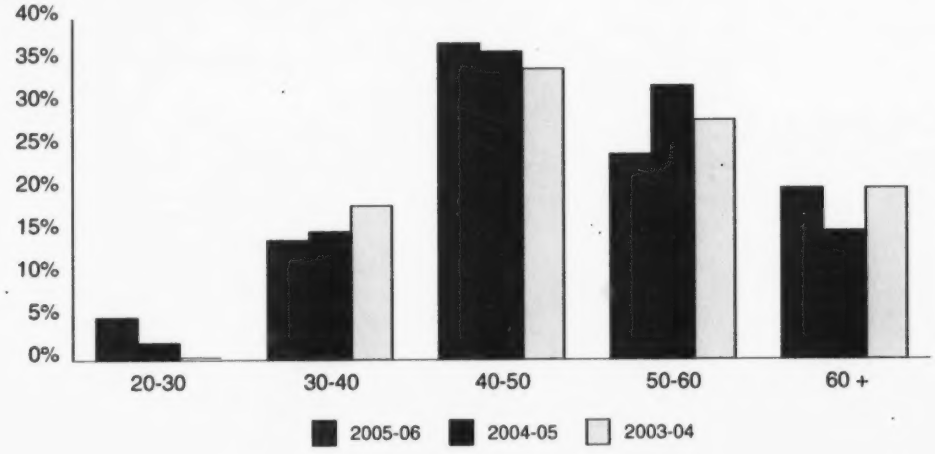
Distribution of Size of Debt Subject to Notice of Intent to Foreclose



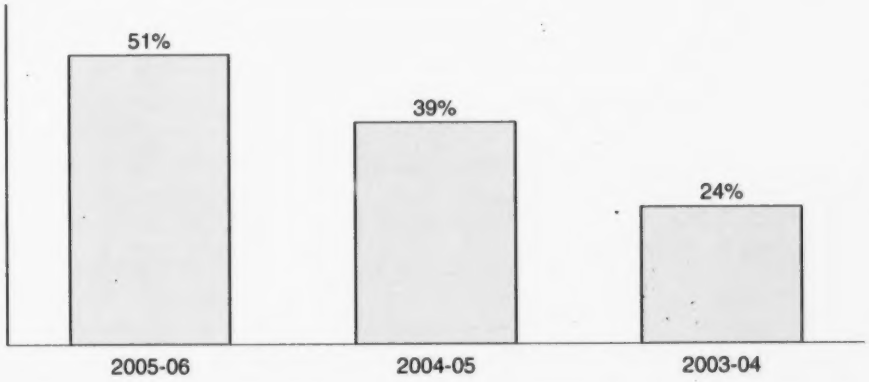
Distribution of Enterprise Types Receiving Notice of Intent to Foreclose



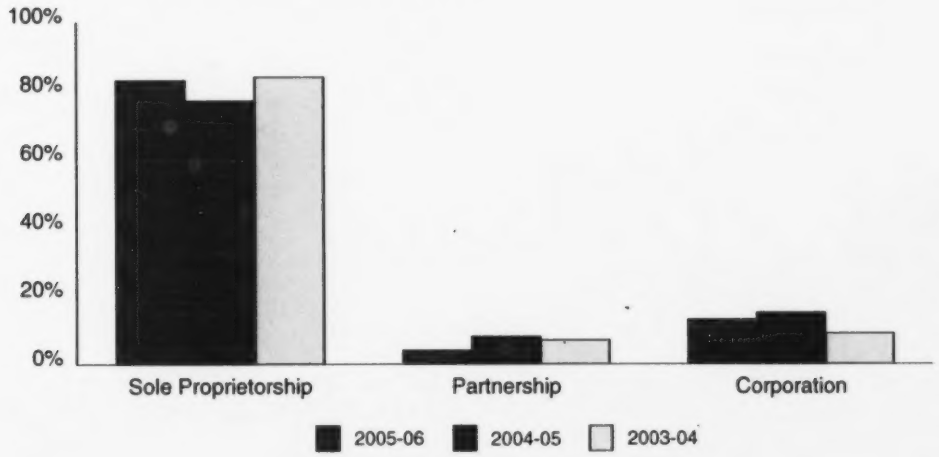
Age Range Distribution of Farmers Receiving Notice of Intent to Foreclose



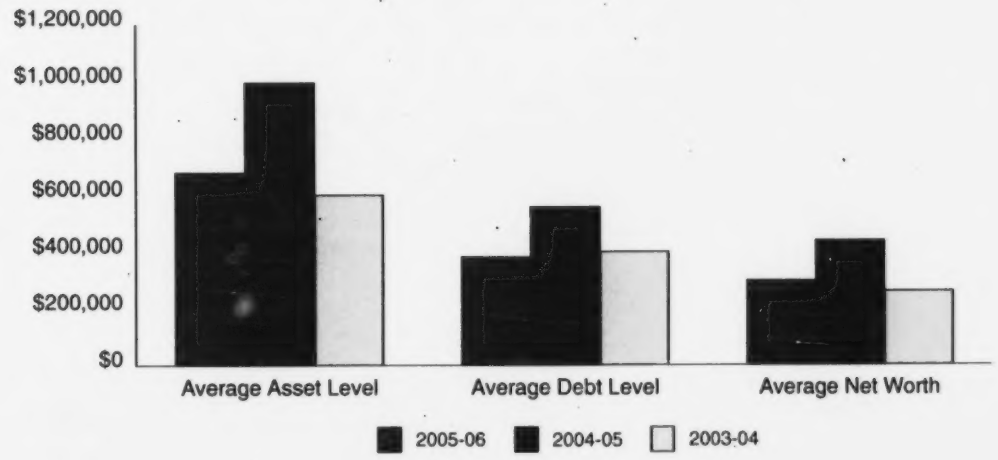
Home Quarter Included in Foreclosure Notice



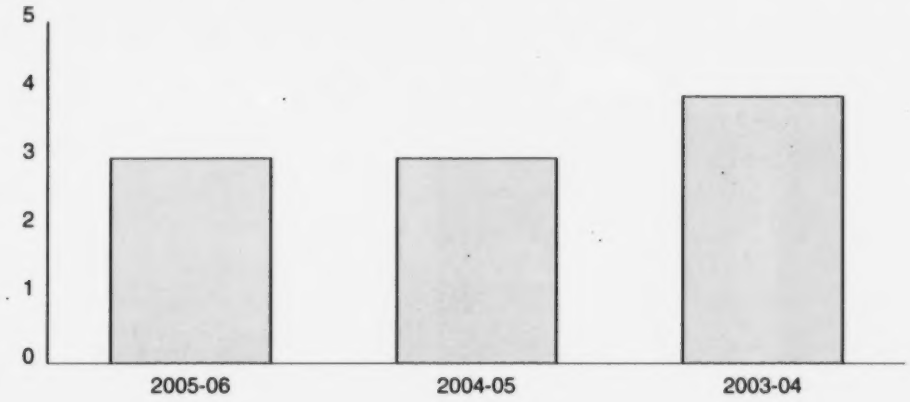
Distribution of Farm Unit Financial Organization Receiving Notice of Intent to Foreclose



Average Asset, Debt and Net Worth Levels of Farms Receiving Notice of Intent to Foreclose



Number of Dependents Associated with Farms Receiving Notice of Intent to Foreclose



The statistics for the 2005-06 fiscal year reflect some continued trends from last year:

- The distribution of farms receiving Notices of Intent to Foreclose increased in the $100,000 to $200,000 range and, more dramatically, in the range of Notices including mortgages greater than $200,000.
- Grain farms, as an enterprise type, increased from 22% of total Notices to 43%.
- The dominant age range of farmers receiving notices continued to increase in the 40-50 year old group.
- The percentage of notices involving home quarters increased from 39% to 51%.

These trends are consistent with the financial deterioration occurring in our farm economy where the grain sector is being severely impacted by low commodity prices and increased costs. The beef industry has recovered to some extent from the BSE event that had dramatic impact over the past two years. Most beef producers have mixed farms.

Part III – Home Quarter Protection

Mandate

Home Quarter Protection has been a cornerstone of Saskatchewan farm protection legislation since the early 1940s. The protection stays the registration of a Final Order for Foreclosure as long as the farmer continues to live on the homestead. A farmer and a lender may co-apply to the Farm Land Security Board to have a mortgage excluded from this protection. The Board is empowered to exclude the mortgage from protection when, in the opinion of the Board, it would benefit the farmer. The program helps prevent farmers from unnecessarily attaching debt to their home quarter.

Resources

Part II and III office and human resources are shared. (See Part II for more detail.)

Objectives

The mandate of this Part is achieved by clarifying with farmers their security options and examining their ability to service the mortgage obligations. Before the Board will order a mortgage excluded from the protection, it must be convinced the farmer can repay the loan, and that other suitable security is not available. Additionally, it must be convinced that any aspect of a loan which appears uncharacteristic of typical lending practices has been fully discussed with the parties.

Activities

Co-applications are reviewed by Board staff. Staff typically contact the farmer and the creditor as part of their review and may request additional information concerning the farm financial situation. Staff will analyze the farm budget and security options to establish that the loan is affordable and that more suitable security arrangements are not possible. In the most difficult situations, the co-application is assigned to a field consultant. The consultant will meet with the farmer and the creditor to prepare a report for the Board.

A decision to refuse to exclude a mortgage from the protection only occurs after clear evidence that either the loan is not serviceable or that alternate satisfactory security options are available.

Rather than deny an application, the Board will work with the parties to find acceptable alternatives. This results in a very low incidence of an application being denied.

Part III – Applications Received

Fiscal Year	Co-Applications
1996-97	1,038
1997-98	918
1998-99	774**
1999-00	562***
2000-01	484
2001-02	469
2002-03	506
2003-04	515
2004-05	581
2005-06	491

** A Class Exclusion involving non-farm rural residences was issued in December 1998. This is reflected in the reduced number of applications received that fiscal year and in following years.

*** A Class Exclusion involving solely farm land purchases was issued in October 1999. This is reflected in the reduced number of applications received that fiscal year and in following years.

Part III – Disposition of Applications to Waive Home Quarter Protection

Fiscal Year	Order Issued	Special Order Issued	Order Denied	Return/ Withdraw	Total
1994-95	723	93	9	85	910
1995-96	625	109	7	82	823
1996-97	776	157	8	82	1,023
1997-98	677	158	8	70	913
1998-99	550	153	10	75	788
1999-00	216	287	2	69	574
2000-01	131	304	2	37	474
2001-02	37	392	0	42	471
2002-03	135	339	2	29	505
2003-04	376	129	0	15	520
2004-05	376	160	1	33	570
2005-06	331	127	2	20	480

Total co-applications received (491) differ from total disposition of co-applications (480) by the number of co-applications currently being reviewed.

Distribution of Home Quarter Exemption Applications by Purpose Category

	2004-05	2005-06
Construction	8%	10%
Purchase	20%	19%
Restructure	40%	40%
Revolving Credit	10%	11%
Debt Settlement	1%	2%
Other	21%	18%

Impacts

In today's environment of high farm debt and low operating margins, the Board's activities have helped ensure that the debt obligations are serviceable when the homestead is involved. Its activities have also ensured more "farmer friendly" options for securing the debt have been implemented where possible. These activities have increased farmer knowledge of risk management and will contribute to the stability of rural communities in the future.

About one-third of the applications are issued "Special Orders" where the exclusion order identifies and attaches explicit conditions. In the past, the condition may have been for the creditor to release a home site from the mortgage if the loan fails, or to release the home quarter once the principal is reduced to a specified amount. As well, past Special Orders allowed the Board to deal with mortgages which were not sum certain or loan specific.

In recent years, creditor loan products have evolved to allow mortgages to secure more than one loan. These multiple loan mortgages often include revolving credit loans. Creditors were concerned about the wording of the Board's order as it applied to revolving credit loans. The Board addressed creditor concerns by issuing Special Orders to mortgages involving revolving credit.

Observations

The total number of co-applications to waive Home Quarter Protection in the 2005-06 fiscal year declined by 16% after four consecutive years of increases.

The number of co-applications in each of the purpose categories has remained relatively consistent. The decline in Home Quarter Protection applications reflects reduced farm lending activity.

Part VI – Farm Ownership

Mandate

This legislation is designed to ensure that non-resident or corporate control of Saskatchewan farm land does not negatively affect the interests of resident producers or the economic and social development of the province.

Resources

$90,500 was expended on the delivery of Part VI activities under the Act, exclusive of general administrative overhead and Board meetings. Two full-time equivalent employees and one contract field consultant work in this program.

Objectives

The Board seeks to preserve ownership and operation of Saskatchewan farm land by residents through ensuring compliance with farm ownership legislation. The Board also maintains an internal objective to remain current in the area of agriculture and land related issues. This contributes positively to its decisions regarding land ownership.

Activities

Responsibilities of the Board include the granting or denial of applications for exemption or extension, issuing Orders for Divestment, recommending court action for violation of provisions of the Act, and generally advising the government on farm ownership issues. Where individuals or corporations acquire, or plan to acquire, holdings that exceed that allowed by statute, the Board considers the interests of all affected parties in making its determinations. Staff assigned to this aspect of the program monitor all changes of title respecting farm land.

Activity Summary

Staff investigated and processed applications for exemption and applications for extension in order to achieve compliance with the legislation. An application may result in the granting of more than one exemption. In addition, staff responded to personal or written inquiries.

Activity Detail

The Board monitored changes of interest in rural land in the province by analyzing and classifying raw data provided by Information Services. For the Board's purposes, the initial analysis of 2005-06 revealed 24,235 transfers (26,651 in 2004-05), totalling 3,200,600 acres (3,470,430 acres in 2004-05).

Acres transferred declined 7.8% from the previous year. The following table illustrates the number of transfers in various categories of individuals and corporate entities. The data include title changes such as registrations of joint ownership, corporate name changes and interim transfers to estates. Therefore, the total transfers do not equate to "new ownership" but reflect "title activity."

2005-06 Transfer Statistics

Address or Category of Transferee	Number of Transfers	Acreage
Saskatchewan	17,060	2,321,459
Canada	1,267	173,987
Foreign	165	26,789
Lending Institutions including Crown Lenders	30	4,576
Government (including non-lending Crown Corporations)	975	75,194
Corporations	4,738	598,654
Total	**24, 235**	**3,200,659**

The Farm Land Security Board uses transfer information as a basis for its monitoring of dispositions and acquisitions by both individuals and corporations. The Board examines acquisitions by corporations and non-Canadians to ensure holdings are not acquired by those that are ineligible to hold land. Provisions of the Act allow certain transfers to foreign resident individuals. These include transfers below 10 acres in size, and transfers to individuals who are Canadian citizens, non-Canadian citizens who are eligible for an in-family transfer and for estate transfers. The total number of transfers and corresponding acreage declined in the 2005-06 fiscal year.

Applications for Exemption

The Board has the authority to consider applications for exemption which, if approved, allow non-eligible individuals or non-agricultural corporations to have or acquire a land holding in excess of that allowed under the farm ownership provisions of *The Saskatchewan Farm Security Act.*

Denials were primarily based on the Board's conclusion that the intended acquisition would be contrary to the longer term interests of Saskatchewan people. The following table summarizes the Board's activity in applications for exemption.

General categories have been developed for the requests for exemption the Board receives.

Purchaser Intending to Reside
The Board regularly considers exemption requests by non-residents who plan to move to Canada and are acquiring land in advance of their residency.

Intensive Livestock
Many intensive livestock enterprises are organized as limited partnerships or corporations that for the purposes of the Act require an exemption to hold more than 10 acres.

Commercial Development
Many commercial undertakings require farm land to develop industrial plants, grain terminals and mining operations.

Investment – Family and Non-Family Support
In some cases, residents have obtained assistance from non-residents to re-acquire their farms from financial institutions or have accessed capital to start a new farm venture.

Inheritance/Estate Planning
To facilitate estate planning involving transfers of farm land to non-resident beneficiaries' exemption, requests are considered. Exemptions granted for this purpose generally corresponded with the five-year period allowed for divestment in the Act.

Wildlife/Conservation
Most organizations acquiring land for wildlife and conservation purposes must apply for exemption. Issues involving the acquisition of farm land to be idled by conservation organizations, most notably Ducks Unlimited Canada, continued to challenge the Board in balancing agricultural and wildlife interests. Of the 28,274 acres acquired by conservation organizations in the 2005-2006 fiscal year, all but 2,487 acres were conservation easements.

Policy Coherence
Board practice has been to deal with some common land holding situations not meeting the provisions of the Act but consistent with the spirit of the Act by way of granting an exemption. For example, Board practice has developed to equip small closely-held corporations with the ability to hold land as if the land were owned in the individual names of the shareholders. Prior to the January 2003 amendments to the legislation, Canadians outside Saskatchewan could acquire 320 acres while a corporation was limited to 10 acres. With the January 2003 amendments, this type of exemption is no longer necessary. Another example has been the practice of allowing, by way of an exemption, a non-resident spouse to join a resident spouse on title.

Lender Extension
The Act provides that a lender may hold land acquired by way of foreclosure or quit claim for two years. A lender must apply for an extension in order to hold land beyond this two-year period.

Family Support
In some cases, non-residents have aided residents to recover farm land lost to foreclosures or provided some other assistance for the benefit of residents which has required an ownership exemption.

Investors in an Agricultural Corporation
The Act provides that a farming corporation, majority owned and controlled by resident producers, may own land without restriction. Notwithstanding this provision, the share interests of a non-resident in such a corporation are equated to an interest in land subject to the Act, and therefore, must receive an exemption.

Exemption Statistics

Exemption Category	Granted		Acres		Denied		Acres	
	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06	2004-05	2005-06
Purchaser Intending to Reside	6	7	8,160	15,680	2	0	1,270	0
Border Farm	0	1	0	1,270	0	0	0	0
Intensive Livestock	0	0	0	0	0	0	0	0
Grain Farm	0	0	0	0	1	0	950	0
Ranching	0	0	0	0	0	0	0	0
Investors in Ag Corporations*	1	0	950	0	0	0	0	0
Commercial Developments	7	9	2,865	6,820	0	0	0	0
Family and Non-Family Support	2	0	960	0	0	0	0	0
Active Farming	0	0	0	0	0	0	0	0
Inheritance and Estate Planning	12	2	5,600	1,600	0	0	0	0
Wildlife and Conservation	28	47	16,715	28,274	0	0	0	0
Policy Coherence	2	0	790	0	0	0	0	0
Lender Extension	0	0	0	0	0	0	0	0
Total	**58**	**66**	**36,040**	**53,644**	**3**	**0**	**2,220**	**0**

* This was a new category created in the 2004-05 fiscal year.

Applications for Extension

Financial institutions acquired a total of 4,576 acres through debt resolution during this fiscal year, as compared with 5,263 last fiscal year. A creditor acquiring agricultural land through the realization, quit claim, settlement or other disposition of its security, is permitted to retain that land holding for a period of two years. The Board has the authority to extend the two-year period allowed creditors.

The preference of financial institutions is to divest of farm land they have recovered. They have generally been willing to co-operate with the Board in providing leasing arrangements, if necessary, for the farmers who gave up ownership of land when land cannot be sold.

Enforcement Summary

No enforcement files were outstanding at the end of the 2005-06 fiscal year. During the 2005-06 fiscal year, an enforcement file initiated in the previous year was resolved.

Accomplishments

The Land Sales Database continues to provide a useful service to the public by allowing searchable access to land sales information. It also facilitates the monitoring of land sales transactions for the purposes of the Act.

Observations

Land transfer data does not reveal any considerable change in the proportion of acquisitions by other Canadians, foreigners or corporate entities. Total acreage of land transfers decreased 7.8% in this fiscal year.

The amount of land acquired by credit institutions continued to decrease. The land market remained firm enough to direct debt induced sales to the private market, rather than to the lending institutions by way of foreclosure or voluntary transfer in settlement of debt.

Land purchases by hunting and conservation organizations, such as Ducks Unlimited Canada and The Nature Conservancy of Canada, remained minimal due to the review initiated by the Board in 2002. Acquisition of conservation easements that are considered a land holding for the purposes of Farm Ownership legislation were facilitated by exemptions from the Farm Land Security Board.

During the fiscal year, an inter-departmental initiative to establish policy guidance with respect to conservation lands progressed towards completion. Extensive discussions took place to clarify the policy positions of the departments of Environment, Agriculture and Food, and Government Relations. These discussions were then broadened to include representatives of conservation, agricultural and municipal organizations. The Farm Land Security Board was excluded from this process.

By the end of the fiscal year, the Board was hopeful that satisfactory policy guidance would emerge to bridge the sometimes competing positions of environmental, wildlife and agricultural interests that the Board had been grappling with for many years. The Board has consistently expressed the view that a successful solution will require acknowledgement of the legitimacy of all interests, and include the opportunity for local input to ensure that acquisitions of farm land for the conservation of wildlife reflect the economic and social needs of rural communities. As well, it is hoped that established environmental priorities and policy objectives will guide what level and nature of acquisitions are proposed.

Financial Information

Expenditures

A budget of $847,000 was provided to the Farm Land Security Board in the 2005-06 fiscal year. Expenditures and accounts payable for the year were $817,600. The Board supervised a workforce of seven full-time equivalent employees and 28 contract field consultants.

Expenditures *(thousand dollars)*	**2003-04**	**2004-05**	**2005-06**
Administration/Board			
Salaries	158.1	145.2	130.3*
Other Expenses	27.7	27.5	34.6
	185.8	**172.7**	**164.9**
Part II and III			
Salaries	97.4	97.7	101.5*
Other Expenses	261.7	307.8	275.2
Accounts Payable	14.6	26.3	27.3
	373.7	**431.8**	**404.0**
Part VI			
Salaries	76.4	71.0	89.8
Other Expenses	1.4	2.1	0.7
	77.8	**73.1**	**90.5**
Systems			
Salaries	52.8	52.8	63.0*
Other Expenses	106.3	92.4	95.2
	159.1	**145.2**	**158.2**
Totals			
Salaries	384.7	366.7	384.6
Other Expenses	397.1	429.8	405.7
Accounts Payable	14.6	26.3	27.3
	796.4	**822.8**	**817.6**

* During the 2005-06 fiscal year, support staff received a one-time retroactive payment upon being formally classified by the Public Service Commission. Payment was retroactive to October 2003.

Revenue

During 2005-06, Notice Application Fee, Land Sales Data Fee and Farm Ownership Fee generated $117,700 in revenue and accounts receivable.

Revenues *(thousand dollars)*	**2003-04**	**2004-05**	**2005-06**
Notice Application Fee	70.8	88.6	77.5
Land Sales Data Fee	29.6	34.6	35.6
Farm Ownership Fee	3.8	3.2	4.6
Total	**104.2**	**126.4**	**117.7**